



Lessons Learned for REDD+ from PES and Conservation Incentive Programs

Examples from Costa Rica, Mexico, Ecuador and Vietnam.

A panel discussion.

Asuncion, Paraguay; March 27, 2012



Panel agenda for PES Lessons and Benefit Sharing experiences

Asuncion, 27 March 2012

Time

Panel item

- 16:30
 - 16:35
 - 16:40
 - 16:45
 - 16:50
 - 16:55
 - 17:00
 - 17:05
 - 17:10
 - 17:25
- Introduction and facilitation (Leonel Iglesias)
 - PES South-South Initiative for REDD+ (Mexico)
 - Lessons on participation agreements (Ecuador)
 - Lessons on Equity Objectives (Ecuador)
 - MRV (Costa Rica)
 - Sustainable finance (Costa Rica)
 - Trade-Offs and Synergies (Mexico)
 - Experience in designing benefit distribution systems from Vietnam (Dr. Cuong)
 - Open discussion and feed back (Leonel Iglesias)
 - Conclusions (Tim Clairs)

About the South-South Cooperation Initiative (CR-MX-ECU)

Josefina Braña/Mexico

- This initiative was originated in 2010
- Discussions focused around learning for REDD+ from these countries' payments for environmental services (PES) programs and, in the case of Ecuador, its 'Socio Bosque'.
- Dialogue was formalized between Costa Rica, Ecuador y Mexico at UNFCCC's COP16, where they presented their first ideas to create a platform for South-South cooperation.
- In 2011, the WB and PROFOR started supporting the initiative
 - Expert workshop to assess countries' experiences and contributions for REDD+
 - Policy brief
 - Report: "Lessons learned for REDD+ from PES and Conservation Incentive Programs: examples from Costa Rica, Mexico, and Ecuador"

Where are we now in the Initiative?

Josefina Braña/Mexico

- The report has been printed and will be distributed widely.
- We are starting the next phase of the initiative:
 - Building the platform
 - Looking for donors
 - Keep sharing and working together

PES Lessons on Participation Agreements

Carola Borja/Ecuador

1. Provide a clear institutional framework that facilitates inter-sectoral cooperation.
2. Use simple contracts and easy program guidelines.
3. Invest in legal capacity building and technical support.
4. Explore options for overcoming land tenure barriers.
5. Set contract duration based on certainty in ecosystem service delivery.
6. Make payments conditional on ecosystem service delivery.
7. Design program activities to minimize the costs of participation while allowing for productive activities.
8. Incorporate robust and transparent guidelines for monitoring and verification.
9. Provide clear, transparent, and enforceable sanctions for noncompliance, in combination with risk management mechanisms.

Lessons on Equity Objectives

Carola Borja/Ecuador

10. Enable legal, policy, and governance frameworks.
 11. Support implementation with appropriate institutions at multiple levels.
 12. Adopt a rights-based approach that respects internationally-agreed safeguards.
 13. Use targeted outreach, capacity building and control transaction costs to overcome obstacles to poor participants.
 14. Incorporate credible monitoring of social outcomes and impacts.
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Measuring, Reporting, and Verification (MRV)

Oscar Sanchez (Costa Rica)

20. Understand the PES MRV systems, taking into consideration the key differences in scale, scope and objectives that distinguish the requirements for REDD+ MRV.
 - PES experience applies better to national MRV than to project MRV scales
 21. Use effective MRV design to achieve and attribute additional emissions reductions.
 22. Track leakage in order to improve efficiency.
 23. Set clear targets and baselines and regularly measure and evaluate relevant indicators
 - Adaptively manage performance on social and environmental safeguards.
 21. Recognize trade-offs between cost and precision.
 22. Invest in human capital and capacity building at both “ends” of the payment.
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Sustainable Finance in PES and REDD+

Oscar Sanchez/Costa Rica

26. Diversify funding sources and duration of contracts to reduce risks.
 27. Enable legislative framework to engage the private sector.
 - Use public funding during formulation, preparation and during first phases of implementation, then a combination of incentives/market funds to attract the private sector.
 28. Clearly define objectives and baselines, and use adaptive management techniques to improve targeting
 - Avoid if you can “post-modeling” baselines. Try “ex-ante” baselines if you can...most PES schemes are now “post-modeling” which is costly and not the best choice.
 29. Explore options to control administration costs.
 - Strengthen current institutions and technical teams instead of setting new ones or depending exclusively on external consultants.
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Trade-Offs and Synergies between Multiple Benefits

Josefina Braña/Mexico

15. Account for multiple benefits in targeting payments or incentives.
 16. When selecting eligible participants and activities, use multiple criteria to minimize trade-offs and maximize synergies.
 17. Explicitly consider co-benefits in evaluating outcomes.
 18. Evaluate synergies and trade-offs with other development policies and programs.
 19. Use differentiated payments to recognize and reward actions.
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Experiences in Designing BDS for REDD+ in Vietnam

Cuong Pham/Vietnam

20. National REDD+ Fund (as a part of VNFF) with participatory governance structures; Based on experiences from PES and other countries
21. Take into account local circumstances & culture (R-Coefficient); have close linkages with MRV;
22. Consider co-benefits in assessing the performance
23. Participatory designing approach is applied; role of NGOs & CSOs
24. It is costly and difficult for central Gov/Fund to evaluate the performance of and conduct payments to individual households – PFM and local disbursement (intermediaries (FC/FMBs) and local communities/associations)
25. Need an effective participatory recourse mechanism

Conclusions summary by moderators

The South-South Initiative on PES for REDD+ presented by Costa Rica, Mexico and Ecuador in Cancun and in Durban (2010-2011), invited REDD+ countries to formalize their request for South-South dissemination through this Initiative on PES lessons for REDD+. Costa Rica, Mexico and Ecuador also invited donors to join the challenge of building and financing a South- South knowledge exchange platform so that the Initiative can be operational.

Costa Rica, Mexico and Ecuador presented and discussed a book on 29 PES lessons on contract agreements, equity objectives, trade –offs and synergies, MRV, and sustainable finance. Printed copies of the book were distributed and a pdf version is available in the FCPF website.

Summary versions of the PES lessons paper in French, English and Spanish are also available in the website. The translation of the full book will be available in the FCPF website as soon as possible.

Conclusions summary by moderators

Vietnam shared lessons on benefit distribution systems currently in place and acknowledged the positive influence of PES programs from Latin American countries in Vietnam's benefits distribution system.

Republic of Congo, Ghana, Mozambique, Paraguay, Vietnam, Thailand, Cameroon, Democratic Republic of Congo and other countries requested to be involved in the process of disseminating these PES lessons, and emphasized the need to organize longer international events so that lessons can be discussed and shared in a deeper way.
